

Speaker BOEHNER to cut off his extreme Republicans who refuse to support even the plan that he crafted to meet their reckless demands. The Reid plan is our best route to a compromise. It is a compromise we need soon before the markets render a truly ominous judgment that will set our economy back for years.

I yield the floor.

Mr. DURBIN. Madam President, I thank my colleague from New York, Senator SCHUMER, as well as Senator MIKULSKI from Maryland for coming to the floor this morning and speaking about the crisis we face. The debt ceiling default, which will occur in 6 days if we do not act, will have a profound, negative impact on America's standing in the world and our economy at home. It threatens to stifle job creation and to slow down the business growth we need to get out of this recession. It is the most serious impact one could imagine at a time when we are facing this kind of recession.

This debt ceiling is being extended, or should be extended, under a law that was passed in 1939. We have extended the debt ceiling 89 different times: 55 times under Republican Presidents, 34 times under Democratic Presidents, and virtually every President has done it.

The President who holds the record for the most debt ceiling extensions in history is Ronald Reagan. Ronald Reagan extended the debt ceiling 18 times in his 8 years, during that period of time tripling the national debt. The President who holds the record next is President George W. Bush, who doubled the national debt in his 8 years and raised the debt ceiling 9 times.

This should have been done, and done routinely. Many of the Members of Congress, House and Senate, who come to the floor and say we will never vote to extend the debt ceiling are not being honest with the American people. The debt ceiling is paying for what Congressmen and Senators voted for. They came to the floor and said: Let's go to war, let's stay at war, let's spend \$10 billion a month. And the President said: That was Congress's decision. Now I have to borrow the money to keep that promise. And these Members of Congress are saying: Oh, no, we don't want to have any fingerprints on the debt ceiling extension.

We cannot have it both ways. Members of Congress cannot ask for spending and then fault the President when he has to borrow money to make it happen. That is exactly what they are doing.

The President has tried to work out a bipartisan agreement to deal with this debt ceiling crisis. He invited in Republicans and Democratic leaders with Vice President BIDEN to sit down and work out an agreement, a bipartisan agreement. About 4 weeks ago, the House Republican majority leader, ERIC CANTOR of Virginia, stood up and walked out. He said: I am walking away from these bipartisan negotia-

tions. I am not going to be party to them. Leave it up to Speaker BOEHNER.

Speaker BOEHNER then went into negotiations with President Obama, talking behind the scenes about ways to resolve this issue. That was a positive thing. But then he announced he was walking away from negotiations not once but twice, most recently last Friday.

Monday night, television sets around America were tuned in as the President of the United States explained this crisis and then Speaker BOEHNER explained his point of view. Speaker BOEHNER said Monday night he had a plan, a plan that would solve this crisis in a responsible way. That was Monday night. But then came Tuesday, and as the dawn came on Tuesday morning and people took a close look at the Boehner plan, here is what they found.

They found that business leaders across America were saying it was a terrible idea, the idea of a 6-month extension to the debt ceiling; going through this mess again and again would harm our economy.

Then the Congressional Budget Office took a look at the Boehner plan. They talked about it Monday night and said it does not add up. It does not cut the spending Speaker BOEHNER said it would. Then, finally, 100 members of Speaker BOEHNER's Republican caucus walked out on him yesterday, saying it was a bad plan.

So here we are, 6 days away from a deadline, 6 days away from a manufactured political crisis. It is time to do what is right. Senate majority leader HARRY REID has a proposal which addresses this responsibly. It cuts spending—and it has already been scored, has it not, by the Congressional Budget Office? It turns out that unlike Speaker BOEHNER's plan, Senate majority leader HARRY REID's plan does cut spending to move us toward a balanced situation.

Second, it extends this debate beyond the next election, beyond the next year, so we do not put our fragile and weak economy through this again and again. That is sensible. It also calls for the creation of a joint committee to deal with the long-term deficit. I have been involved in this conversation with the deficit commission, again, with the Gang of 6. We can do this on a bipartisan basis if we are honest and open with one another, and Majority Leader REID leads us in that direction.

We face a deadline 6 days from today. The Boehner plan of Monday night has disintegrated before our eyes. It has been rejected by business leaders. It has been rejected by the Congressional Budget Office. It has been rejected by the House Republican caucus. It is time for a little humility on both sides of the aisle from both parties.

Let's put all this squabbling aside. Let's focus on America's economy, putting people to work, saving businesses, and handling our debt in a responsible way. We can do it. We can do it if we stop listening to the political extrem-

ists and start dealing with the center of America which calls for leadership and wants us to put an end to this squabbling.

I yield the floor.

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to executive session to consider Calendar No. 194.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will report.

The legislative clerk read the nomination of Gary Locke, of Washington, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of China.

Mr. REID. I ask that the nomination be confirmed, the motion to reconsider be considered made and laid upon the table, with no intervening action or debate; that any statements related to the nomination be printed in the RECORD; that the President be immediately notified of the Senate's action; and the Senate then resume legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The nomination was confirmed.

LEGISLATIVE SESSION

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate resumes legislative session.

The Senator from Arizona.

Mr. MCCAIN. I ask unanimous consent to speak in morning business for additional time, if necessary.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE DEBT CEILING

Mr. MCCAIN. Madam President, as the Senator from Illinois just pointed out, today we are 6 days away from a possible default which could plunge this country into a serious crisis. In fact, there are some who view maybe it is not exactly 6 days; it could be a few days more. There are those who argue that somehow—in a bizarre fashion—that somehow we could prioritize our payments to the most urgent requirements, such as our veterans, such as Social Security and others.

I wonder, what if the Greek Government came up with that same proposal as they went into bankruptcy, that they would prioritize spending that is remaining?

The point is, today we are 6 days away. The point is, markets are jittery. Investors are concerned. Most importantly, our constituents are frustrated. They are confused and they are

angry. Today, on the front page of USA Today, there is a headline that says:

The Debt: What Americans Think About The Political Debate.

It goes on to say:

Just get it done, work it out.

Another person:

"I'm sick of it," says Davis, 73, a retired economist. . . . "They're playing games. Here we are, trying to pull ourselves out of recession, and they can't come to an agreement."

If anyone thinks that the reputation and the approval rating of Congress and the Presidency has improved during this situation we find ourselves in, obviously they are out of touch with their constituents and the American people. Not only are the American people concerned, not only are the American people upset, but I will quote from and ask unanimous consent to have printed in the RECORD an article from this morning's Washington Post.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 26, 2011]

FRUSTRATED EXECUTIVES SAY POLITICAL
IMPASSE SLOWS HIRING, INVESTING
(By Neil Irwin)

CHICAGO.—Business leaders are growing exasperated with Washington. And they say the dysfunction in the political system is holding them back from hiring and investing.

A new sort of risk to growth is emerging, not from the kind of economic forces that led to the recent recession but from elected officials' inability to agree on how to deal with them. This angst in the executive suite is reflected in this month's uptick in lobbying by business groups eager to see a deal on the federal debt ceiling, in surveys showing falling confidence among business leaders—and, in the American heartland, by the deepening frustrations of corporate chiefs.

In interviews in this great industrial capital, senior executives in the area said they lack confidence that political leaders can execute the basic nuts and bolts of governing, as exemplified by the brinksmanship over raising the debt ceiling. Indeed, the frustration over the political climate and Washington's seeming inability to solve problems appears to weigh more heavily in their minds than any specific government policy.

The executives are hostile to President Obama and his agenda and say higher taxes would damage their business prospects and make them less inclined to invest and hire. But in contrast to congressional Republicans' claims that any tax increases would stop job creation in its tracks, many executives say they could tolerate somewhat higher taxes if they were part of a broader plan that offered clarity on the nation's future policies, particularly one heavy on spending cuts.

"What are the rules of the game going to be in the long term?" said Lyle Heidemann, chief executive of the 5,000-store hardware chain True Value. "What our retailers would like to have is consistency and predictability. We can handle decisions we don't agree with, but that's easier than not knowing what the decision is going to be."

For example, he said, several True Value franchisees have sold their stores in the past year—even though they would have preferred to hold on to them for a few more years—because they feared that the 15 percent capital

gains tax will rise at the end of the year, when it is scheduled to expire.

The loss of confidence in Washington seems to be a driver of a more fundamental lowering of expectations in America's executive suites. The Conference Board, a business research group, found in its most recent survey of chief executives that 43 percent expected economic improvement in the next six months, down from 66 percent at the beginning of the year.

The groups that represent businesses in Washington, including the U.S. Chamber of Commerce and the Business Roundtable, have been urging Congress to raise the debt ceiling to avoid the risk of a default or downgrade of the U.S. credit rating, even as many newly elected Republican members of the House—who received support from business interests when running—are reluctant to vote for such a measure. A group of major business groups sent a letter to the president and every member of Congress two weeks ago, imploring them to raise the debt ceiling.

The tenor of the debates in Washington has damaged the executives' sense, long taken for granted, that the taxes and regulatory policies they face will be predictable and reasonably constant. The executives are horrified that the nation might be on the verge of losing its AAA credit rating, and they have a deep hunger for a grand bargain: a master plan to determine the nation's fiscal future over the coming decade.

There is no telling what the tax code will look like next year or who will ultimately bear the burden of reducing the nation's budget deficits. That makes it an ominous time to consider even buying a new piece of equipment or hiring another worker, businesspeople said.

"Clarity is everything, even if it's negative clarity," said Rick Bastian, chief executive of Blackhawk Bank, which has eight branches in northern Illinois and southern Wisconsin. The mid-size manufacturers to whom the bank lends money have made it through the worst of the recession, Bastian said. But now they are resistant to upgrading equipment or expanding production capacity because they don't know what the tax burden will be on their revenue.

"Let's say you make an investment that will return \$100,000," Bastian said. "I don't know if I'll be paying \$10,000 more in taxes or \$15,000 more. That could be the difference between whether you can afford to service a loan to pay for it or not. I'm not going to make a long-term investment that requires me to commit cash flow for years if I don't know what taxes are going to be."

There has been plenty of political bickering in the nation's history, and the current situation bears some resemblance to the standoffs between President Bill Clinton and the Republican Congress that shut down the government twice in 1995 and 1996.

But executives describe a very different environment this time around. The economy was in generally strong shape in the mid-1990s, and business confidence—then high—was little phased by the showdown in Washington. Now, with 9 percent unemployment and an exceptionally weak two-year-old recovery, confidence is far more fragile.

"We're still coming out of a deep crisis and recession," said Kevin Kelly, chief executive of Heidrick & Struggles, a leading executive-search firm, who said his conversations with executives in recent weeks have frequently featured fretting over the debt-ceiling talks. "There have been fits and starts toward stronger growth, and now the outlook hinges on what happens in Washington."

At Quality Float Works, a Schaumburg, Ill., company that makes metal float balls for industrial use, the debt impasse has Gen-

eral Manager Jason Speer nervous that it could cause interest rates to spike and make the line of credit the firm uses to finance its inventory more expensive to manage.

As a result, even with business up 30 percent this year and more long-term orders coming in, "we're kind of holding back on hiring and major purchases," Speer said. "We're waiting and seeing what effect all this will have on our credit and on our ability to do business overseas."

Many executives describe the uncertainty around taxes and spending as only one in a series of confidence-sapping challenges coming from Washington.

For example, BrightStar Care provides staffing services for home health-care workers through 225 franchisees worldwide with a combined 6,000 employees. Shelly Sun, the company's founder and chief executive, said that as she works with potential franchisees, many are held back by uncertainty over whether they will have to pay for their workers' health-care costs once last year's health-reform legislation is fully enacted, and if so, what it will cost.

"This is a very price-competitive business," Sun said. "Consumers are already having difficulty scraping together funds to pay for services, and if the franchisees have to bear an extra dollar, \$1.25, or \$1.50 per hour for health-care costs, what could be a viable business may not be."

And at Discover Financial Services, the large credit card and transaction processing firm with 11,000 employees, President Roger Hochschild has had to grapple with great uncertainty about how the financial system will evolve under changing regulations.

"It's really challenging to enter the mortgage business with no clear understanding of what Fannie Mae and Freddie Mac will look like down the road," Hochschild said.

But for many executives, the uncertainty about how the United States will lower its budget deficit over time and who will pay for it looms most heavily over their decisions.

"Among the other presidents and CEOs I interact with, the only consensus of opinion is none of us has any idea where things are going," said Scott Morey, chief executive of Morey Corp., a 700-employee company in Woodridge, Ill., that makes electronic equipment. "And in my observation, the uncertainty we are experiencing is caused almost entirely out of Washington and other governments around the world."

Mr. MCCAIN. That article says:

Frustrated executives say political impasse slows hiring and investing.

Business leaders are growing exasperated with Washington. And they say the dysfunction in the political system is holding them back from hiring and investing.

So where we are is, average American citizens are worried, Social Security recipients who are entitled are calling our offices, and the markets are already jittery. Most economists believe, if we allow this deadline to pass, that we will see a cratering of the financial markets, which, obviously, has a significant impact on savings, on people's holdings in the stock market, 401(k)s, et cetera. Meanwhile, here we are with a situation, and over on the other side of the Capitol, our Republican friends are trying to come up with a proposal that will receive the support of their majority. Over here, we have individuals who believe somehow there is still a chance, at least in this Congress, to pass a balanced budget amendment to the Constitution.

I will take a backseat to none in my support of the balanced budget amendment to the Constitution. I have voted for it 13 times. I will vote for it tomorrow. What is amazing about this is, some Members are believing we can pass a balanced budget amendment to the Constitution in this body with its present representation, and that is foolish. That is worse than foolish. That is deceiving many of our constituents by telling them that just because the majority leader tabled the balanced budget amendment legislation that, through amending and debate, we could somehow convince the majority on the other side of the aisle to go along with a balanced budget amendment to the Constitution. That is not fair. That is not fair to the American people to hold out and say we will not agree to raising the debt limit until we pass a balanced budget amendment to the Constitution. It is unfair. It is bizarre. Maybe some people who have only been in this body for 6 or 7 months or so believe that. Others know better. Others know better.

I am confident, one, someday we will pass a balanced budget amendment to the Constitution. Two, I am confident the overwhelming majority of the American people support it. Three, I am convinced that is the only way that at the end of the day, we will get spending under control because I have seen in the past Congress enacting very strong restrictions on spending, such as the Gramm-Rudman legislation, which required spending cuts with increases in spending and all of them failed because Congresses cannot bind future Congresses.

That is why I remain committed to a balanced budget amendment to the Constitution. To somehow think or tell our citizens that if we have enough debate on amendments in the Senate, in the short term, in the next 6 days, we will pass a balanced budget amendment to the Constitution is unfair to our constituents. It is unfair to our constituents, frankly, to come up with a plan—the so-called Reid plan—that is full of smoke and mirrors, and, frankly, does not entail any increase—real spending cuts. It is unfair of the President of the United States to lead from behind. It is unfair of the President of the United States not to come forward with a specific plan that perhaps could be considered by both bodies but only to go out and give lectures and act in as partisan a fashion as I have seen in his addresses to the American people. It is no wonder the approval ratings of the American people of the President and of Congress are literally at alltime lows.

I wish to talk for just a minute about an editorial in *The Wall Street Journal* this morning. *The Wall Street Journal* is not known to be—especially on its editorial page—a liberal periodical. It is entitled “The GOP’s Reality Test.” It talks about:

The debt-limit debate is heading toward a culmination, with President Obama reduced

to pleading for the public to support a tax increase and Speaker John Boehner and Senate Majority Leader Harry Reid releasing competing plans that are next-to-last realistic options. The question is whether House Republicans are going to help Mr. Boehner achieve significant progress, or, in the name of the unachievable, hand Mr. Obama a victory.

Mr. Obama recognizes these stakes, threatening yesterday to veto the Boehner plan in a tactical move to block any Democratic support.

It goes on and talks about the two-phase Boehner plan.

Congress would authorize \$1 trillion in new debt in return for \$1.2 trillion.

It has since been scored by CBO, and now I believe that on the House side—they are struggling but I hope will succeed in coming up with a proposal that will authorize the cuts we have advertised.

But I go on to read:

Unless the plan passed, Mr. Obama couldn’t request the additional \$1.6 trillion debt ceiling increase that he would soon need. The political incentive is for a reasonable package, and many Senate Democrats also don’t want to vote for tax increases before 2012.

It talks about the critics, about people putting out statements, telling Republicans, telling the Speaker to come up with a better solution.

The usually sensible Club for Growth and Heritage Action, the political arm of the Heritage Foundation, are scoring a vote for the Boehner plan as negative on similar grounds.

But what none of these critics have is an alternative strategy for achieving anything nearly as fiscally or politically beneficial as Mr. Boehner’s plan. The idea seems to be if the House GOP refuses to raise the debt ceiling, a default crisis or gradual government shutdown will ensue, and the public will turn en masse against Barack Obama. The Republican House that failed to raise the debt ceiling would somehow escape all the blame. Then Democrats would have no choice but to pass a balanced budget amendment and reform entitlements, and the tea party Hobbits could return to Middle Earth having defeated Mordor.

This is the kind of crack political thinking that turned Sharon Angle and Christine O’Donnell into GOP Senate nominees. The reality is that the debt limit will be raised one way or another, and the only issue now is with how much fiscal reform and what political fallout.

If the Boehner plan fails in the House, the advantage shifts to Mr. Reid’s Senate plan, which would raise the debt ceiling by \$2.4 trillion in one swoop through 2012. That would come without a tax increase but also \$2.7 trillion in mostly fake spending cuts like less government “waste, fraud, and abuse.”

How many times have we heard we are going to cut waste, fraud, and abuse?

And a \$1 trillion savings from troop drawdowns in Iraq and Afghanistan that are already built into the baseline. As fiscal reform, this is worse than Mr. Boehner’s plan.

The Speaker has made mistakes in his debt negotiations, not least in trusting that Mr. Obama wants serious fiscal reforms. But thanks to the President’s overreaching on taxes, Mr. Boehner now has the GOP positioned in sight of a political and policy victory. If this plan or something close to it becomes law, Democrats will have conceded

more spending cuts than they thought possible, and without getting the GOP to raise taxes and without being able to blame Republicans for a debt-limit crackup or economic damage.

If conservatives defeat the Boehner plan, they’ll not only undermine our House majority. They’ll go far to re-electing Mr. Obama and making the entitlement state that much harder to reform.

Let me say, again, I believe the plan crafted by Senator McConnell that would call for significant cuts in spending, which would not have raises in taxes, would, in the short term, be a most reasonable solution. I hope that on both sides of the aisle we could work together and negotiate a way through that. I also think the much derided by some idea of a committee composed of Members of Congress—of Members of Congress only—from both sides of the aisle, from both sides of the Capitol, to sit down and work out a long-term solution to our fiscal calamities we are facing and those results and those recommendations by that committee be subject to an up-or-down vote only is the only way we can go.

How many times have we had a budget resolution that tasks the various committees to come up with savings and always those savings are phony or they are dismantled on the floor of the Senate? The only way we are going to have the courage to make these cuts is with a committee composed of an equal number of Republicans and Democrats on both sides of the Capitol who come up with tough measures that need to be taken. I believe the American people will support it. If it is not an up-or-down vote, we know what happens around here. Let’s be honest. Let’s have some straight talk. The special interests prevail, and they would dismantle the tough provisions this committee would come up with. I say to my friends on this side of the aisle, this is a balance, Republican and Democrat. We only control one-third of the government, and that is the House of Representatives. It seems to me a balanced, equal representation is to our advantage.

I just wish to say a word, again, about the Reid plan. First of all, I congratulate the majority leader for coming up with a plan because certainly the President has not. Spectrum auctions is part of it. That is going to provide auction of billions of dollars. I have been in this body for a considerable period of time. I can’t tell you the number of times we have called for auction of spectrum. It is an annual basis. It is a copout that prevents us from making tough decisions. Most egregiously, the majority leader’s plan provides \$1 billion to pay television broadcasters who return unused television broadcast spectrum. The television broadcasters got the spectrum for free, and now we are supposed to ask the taxpayers to give them \$1 billion to give back the spectrum they own?

Then, very interestingly, savings in Freddie Mac and Fannie Mae. There

are \$30 billion in Fannie Mae and Freddie Mac reforms. There is nowhere in this proposal that mentions that, but I would point out we have already spent \$150 billion on Fannie Mae and Freddie Mac that we have never seen the end of. Then, of course, the large claim that there is \$1 trillion in savings from winding down the wars in Iraq and Afghanistan and, of course, that is phony. Everybody knows we are winding down the war in Afghanistan and Iraq.

So here we are 6 days away, and we still have members of Congress who are saying we have to pass the balanced budget amendment to the Constitution. We have Members on the other side who are saying we have to raise taxes. We have a President of the United States who so far has refused to come forward with a detailed plan of his own. That is called leading from behind. It is time we listened to the markets. It is time we listened to our constituents. Most of all, it is time we listened to the American people and sit down and seriously negotiate something before we face a situation where we are depriving the American people of the fundamental right of having a government that doesn't deprive them of the essential services, goods, and entitlements which they have earned.

I yield the floor and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CORKER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CORKER. Madam President, I wish to speak for 10 minutes or so. When I have 2 minutes remaining, if the Chair could tell me, I would appreciate it.

Madam President, I am here today with a sense of optimism. I know all of us are very concerned about what is happening in our country with the debt ceiling. I know we are getting lots of calls from constituents.

I think we have made remarkable progress over the last couple of weeks. If we think back to just a couple of weeks ago, people were crafting legislation for sort of a political vote, if you will, and I understand that. But here we are today, and we actually have the leader of the U.S. Senate—a Democrat—who has proposed a bill that has to do with spending. The Republican leader of the House has introduced a bill that has to do with spending. Candidly, I am kind of uplifted. We are finally on the right topic now. Candidly, to use a colloquial term from Tennessee, we are beginning to cook with gas. What I mean by that is people are actually now focused on the right issue.

We have all talked about this August 2 date. We have talked about the fact

that our debt ceiling has to be raised by then. Certainly, there are a lot of ambiguities in the financial markets right now. A lot of them have been watching the Treasury Department and think the Treasury Department has actually made some ways of causing that to last a little bit longer. But I think one thing we can all agree to in this body at present is that we have until August 2. I think everybody would agree with that. Some people think we have longer. I think the one thing almost everyone would agree with in this body is that we have until August 2 to solve this problem, and I hope we will do so.

The other thing that I think is becoming part of sort of the mantra and the understanding throughout our country is that many of the financial markets, the people who actually buy our Treasuries, are now not as concerned about the debt ceiling. They want it raised, don't get me wrong, and as I just mentioned, we all understand August 2 is the date we have until to do that. But now they are more concerned about the fact that we may raise the debt ceiling and not actually do what we need to do to actually get our deficits in order.

First of all, we have the ratings agencies saying that if we don't get at least \$4 trillion in savings in some form or fashion, then some of them are going to downgrade us. But our office over in the Banking Committee—our folks are constantly talking with folks who buy Treasuries, and the actual purchasers of these Treasuries are now telling us in our office that if we don't do something that at least shows \$4 trillion in savings, then they believe we don't have the political will to cause our country to be as worthy of a borrower and that we are going to be paying more in the way of rates.

The other point I wish to make is that we have a proposal on the floor. Personally—and I may catch some grief back home for saying this—I think Senator REID has actually tried to put something forward to help solve this problem. I believe that. I think he has been working closely with Senator MCCONNELL. I think Speaker BOEHNER also—I know he has a different set of circumstances—is trying to solve this problem.

Here is the point: We are at a place where we are now actually talking about the right topic, and we now know that if we don't put forth a solution that is at least \$4 trillion or in that order of magnitude, we are going to be downgraded.

It seems to me that people on the other side of the aisle—my Democratic friends—would not want to support a proposal that extends the debt ceiling that is less than \$4 trillion because their President would be presiding over a country that was downgraded while he was President.

It seems to me that the Republicans who have worked hard to press this issue—and everybody has gone through

tremendous acrimony, and certainly people who are watching this are incredibly frustrated and angry—it seems to me that Republicans who are on the verge of potentially being able to craft something that actually solves this problem would not want to support something that is less than \$4 trillion either.

In fact, I would make this statement which I think is true: Anybody who votes for a package in this body to address the debt ceiling and our deficits simultaneously that isn't of the order of magnitude that is real and scorable—those are two different definitions, real and scorable—of \$4 trillion is actually voting for a package that likely will cause our country to be downgraded.

So here is what I think. Senator REID, has offered a proposal, and I think they scored it at \$800 billion. I know it says \$3 trillion; his scores at about \$800 billion. Speaker BOEHNER has offered a package, and he, too, has some scoring issues with his package.

It seems to me that all of us in this body should be pressing the leaders on both sides of the aisle to at least present a package that is scorable and real in the area of \$4 trillion, depending on what we decide to do with that package. But if a Senator voted for a package that was less than that, they would be casting a vote to raise the debt ceiling and at the same time probably cast our country into a situation where we are downgraded, and that doesn't make any sense to me.

So we have 6 days left. I know people back home are nervous. I did a tele-townhall last night. We had thousands of people on the phone. People are angry that we have waited this long to actually get serious about this issue. They are concerned about Social Security checks, disability checks, veterans' checks. I understand that. I empathize with them. But we haven't quite finished our work. We actually are on the right topic, finally.

Again, Senator REID has offered a proposal. The House has offered a proposal. Neither one of them is strong enough.

For what it is worth—I know the Presiding Officer knows this, but I am talking to people on both sides of the aisle—I think people are reading what the markets are doing and becoming increasingly concerned about considering voting for a package. I know the Presiding Officer comes from the center of the universe as it relates to those kinds of issues. People are rising up. There are a lot of private phone calls taking place, and people are saying: Wait a minute, let's think about this. The markets—which matter, by the way, because they are the ones that buy our bonds—are now saying to us that they know we are going to deal with the debt ceiling—and I think we are—they know we are going to deal with the debt ceiling by the time we have to—and I think we are—but now they are beginning to think we are not

going to do something that is actually the real solution.

So I am here today to talk to my friends on both sides of the aisle to say let's communicate with our leadership and say that we have 6 days left. We have an opportunity to do something—we have all been saying this—that really does rise to the seminal moment to actually solve this problem. This is not a Republican issue. It is not a Democratic issue. It is something that is going to affect everybody in our country. And we are finally, after all of this time, focused on the right subject matter. I mean we really are.

I just met with a group of Senators. I am going to meet with another group of Senators here in a little while. Let's make sure our leadership on both sides of this Capitol understands that we believe voting for a package less than \$4 trillion in savings over this next decade that is not real and scorable really isn't getting the job done.

I know Senator REID's approach has been to do it all at once, and maybe there is a way to craft a package between now and next Tuesday that people can vote on that has \$4 trillion in real savings. I think that might be difficult, but maybe something is happening behind closed doors that we are not aware of. I know that on the other side of the building, people are concerned about—well, actually, on the other side of the building they are looking at a short-term extension.

I know the President has been concerned, candidly, about a short-term extension. In fairness, I think the business community around our country would be concerned about a long short-term extension—in other words, one that carries out months and months and we still don't have a solution to this problem. I understand that creates the kind of uncertainty that many of the people on my side of the aisle and, candidly, people on the other side of the aisle, to some degree, have talked about as it relates to the business environment.

So, sure, I would love to vote for something that solves this problem and does it all on the front end. But I assume our leadership, knowing the acrimony that is taking place—but, again, at least we are on the right subject matter, finally—the acrimony that is taking place, I assume they have some really short-term extension in their back pocket that, to the extent we don't come to a conclusion by next Tuesday, they are ready to pull out and they know it is something that can actually pass both bodies.

Again, I think we are so close now because we are finally focused on the right thing. I think we are close to getting to something that solves our country's problems for a while, causes people around the world and the country to know we actually have the will and the courage to deal with these issues and at the same time addresses the debt ceiling.

Should we not quite get there by this Tuesday—and I know there are a lot of

complications, and we have bodies that are made up of two very different groups of people—I would assume our leadership, who understand what is at stake here, have in their hands, in their back pockets, a very short-term extension that could be used as a bridge for the kind of solution that maybe takes us to a place that we can all agree helps solve our country's problems.

Again, I have heard people have been coming down to the floor back and forth and criticizing each side of the aisle. I am actually more optimistic today—I am not over the top, but I am more hopeful than I was 2 weeks ago when we were not even focused on the right issues, at that time focused on casting blame. Now what we have is both bodies looking at packages to actually address the deficit we have before us.

I hope people on both sides of the aisle will talk to leadership, will let them know they have no desire to support something that does not solve the problem with all we have gone through as a country and as a body over the course of the last couple of months. I am hopeful we will figure out a solution that actually meets that test—in other words, avoids the crisis on Tuesday and, at the same time, avoids the crisis that will occur if people look at our country as a downgraded entity because we have not shown we are willing to at least deal with \$4 trillion.

I think most people know I wish to do a lot more than that, and I offered a bill that was bipartisan that did a lot more than that. But I think we all now know that baked into the expectations about where our country is today is the fact that it has to be a minimum of \$4 trillion. I think a lot of people have worked toward that goal. To even set up a process that is short of that does not make any sense to me. It is kind of as though you have to be kidding me: We are going to go through the aggravation of the next 6 months working toward an aspirational goal that we all know does not solve the credit rating issue?

Madam President, I thank you for the time. I hope we come to a successful conclusion soon. I stand ready and am talking with people on both sides of the aisle to try to come up with a solution so we either solve this on the front end or put in place a process, a very quick process, that takes us to a place where we know we have actually dealt with the problem.

With that, I yield the floor.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FRANKEN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. FRANKEN. Madam President, I rise today to discuss the urgent need to

raise the debt limit. I wish to take this opportunity to remind my colleagues of our obligation to represent our constituents' best interests and those of our great Nation, for at this late hour, with the deadline for an agreement fast approaching, the consequences of inaction are clear. They have been made clear by economists, they have been made clear by credit rating agencies, they have been made clear by the Federal Reserve and by our Treasury Secretary, and they have been made clear by respected leaders of each side of the aisle. And soon, if we do not act, they will be made clear by the market itself.

I keep hearing from some Members talking about the August 2 deadline as if it is no big deal. They say they have their own theories about when the real deadline is. That leaves me dumbfounded. I, for one, am going to take the Treasury Secretary and virtually every economist at their word. We need a solution before August 2 or we risk economic catastrophe.

There are some Members who are essentially saying the Treasury can prioritize payments to avoid default, but getting Social Security checks out should not be a problem. I heard a Republican Member of the House Budget Committee on Public Radio this past weekend say the money for Social Security checks is in the trust fund.

Well, yes, we have \$2.6 trillion in assets in the trust fund, but they are all in Treasury securities, not cash. I find it stunning that a Member of Congress, let alone a member of the Budget Committee, would not understand the most basic functioning of our government. If there is no debt limit increase, Treasury may be able to juggle payments to get Social Security checks out on August 3, and I am sure they will do everything they can to do so, but August 3 would be just day one of Treasury's improvised prioritization strategy. August 3 is a date that about half of the Social Security checks go out. But we have another round scheduled to out on August 10, and another on August 17, and another on August 24. In fact, the Treasury sends out over 70 million checks a month. August 3 is not the end of the problem, it is the beginning.

About 1 month ago, the Bipartisan Policy Center briefed members of the House Republican caucus on the actual implications of the August 2 deadline, what we can pay and what we could not pay. Jay Powell, the former Under Secretary of Treasury under President George H.W. Bush, presented at the briefing. He outlined his research on what is likely to happen on August 3. He suggested that in the month of August we could pay our debt interest, Social Security checks, Medicare and Medicaid, vendors for Defense projects, and unemployment insurance benefits. That is what we could pay, but no pay for active-duty military, no benefits for veterans, no Federal loans for low-income students about to head off to college in the fall, no Pell grants, no

Federal Government employees, including counterterrorism agents in the FBI, for example, no border agents.

Before we default, we could have time to make this sign for all points of entry. This is the tip of the iceberg. That is a symbol of things we definitely could not afford to do.

That does not even address the global economic impacts of playing it so close to the edge. The dollar would be devalued, our credit rating would be downgraded. It would cost us much more—much more—to borrow and to pay the interest on our debt, and thus our debt would actually increase.

More importantly, all adjustable interest rates would rise, including credit cards and mortgages and student loans. New loans, of course, would be more expensive. These impacts could have a legacy that dogs us for decades, if not centuries.

This is serious business and we should not be testing this deadline. Yet that is exactly what some of my colleagues are doing. I worry that Republicans in the House are blind to research, deaf to reason, and are simply ignoring facts that are contrary to what they want to hear.

Throughout this debate, conservative House Republicans have stood in the way of a deal. We have offered them some pretty sweet deals, and they have walked away. They treated the August 2 deadline as advisory, as optional. They suggest that the Treasury can figure out something to prevent a default.

Now they are opposing Senator REID's sensible deficit reduction plan because of how it calculates some of its savings. Specifically at issue is the Reid plan's \$1 trillion in savings from winding down the wars in Iraq and Afghanistan, which Republicans are calling a budgetary gimmick, not real savings.

Yet the Ryan budget, which almost every House and Senate Republican voted for, counted the same cuts almost identically. So to say it is real savings in the Ryan plan but fake savings in the Reid proposal—I am sorry, but you cannot have it both ways.

Further, Senator REID's plan is actually all cuts. I do not necessarily like that. It contains dollar for dollar spending cuts to match the debt ceiling increase. And as much as I do not like this aspect of it, it does not include any revenues, even though a Washington Post-ABC News poll says that 72 percent of the American public believe we should have those making over \$250,000 pay more—72 percent.

But a cuts-only plan is what Republicans have been saying they wanted all along. Now we have given it to them, we have it out there, it is there, and all of the cuts in the Reid plan have been supported by Republicans in the past. So we are presenting a plan that is all cuts, no revenue. The pretense they are using to reject it does not pass the smell test. According to CBO, it saves \$1.3 trillion more in sav-

ings than the Boehner plan, such as it is. You know, I often hear Republicans say corporations are sitting on trillions of dollars of cash instead of investing, expanding, and creating jobs, because businesses are facing so much uncertainty. Well, Senator REID's plan offers certainty.

But suddenly Republicans want a short-term deal, one that would very well put us in this same crisis again in 6 months. What kind of certainty is that? No, a short-term deal will not offer our businesses and markets the certainty they need. A short-term deal may very well induce a credit downgrade, according to Standard & Poor's. Yet Republicans say they prefer a short-term deal over Senator REID's plan, which would take us through the end of next year.

I do not get it. It sounds to me as though they care more about politics and winning than they do about their constituents' well-being and the prosperity and economic security of the Nation. Their hard line and cavalier attitude is frankly dangerous—very dangerous.

Playing fast and loose with the facts is reckless. The American people deserve better. We need to raise the debt ceiling now, and Leader REID has shown us the way forward. I do not like all of the cuts in his package. I wish there were increases in revenue from those who can afford it. But I know we have to pass it because it will keep us from defaulting, and it will do so responsibly and sensibly.

We owe it to the American people to pull back from the brink and pass the Reid plan so we can avert disaster. We owe it to our constituents, and we owe it to our children.

I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FRANKEN). Without objection, it is so ordered.

FAA REAUTHORIZATION

Mr. BAUCUS. Mr. President, I rise today to discuss the FAA bill. On Friday, authorization for the Federal Aviation Administration was allowed to expire. Four thousand workers were placed on furlough. The airport and airways trust fund now lacks the authority to collect user fees that fund air traffic services, airport maintenance, and other things that Americans rely on.

Let's be clear. This should not have happened. It happened because a few Members of the other body made a conscious choice to negotiate in bad faith. Clear and simple.

Let me recap it. Under the able leadership of Senator ROCKEFELLER, the

Senate again passed our long-term FAA authorization in February, with a bipartisan vote of 87 to 8. Later, the House passed its bill, but largely along party lines.

In April, the Senate named conferees to negotiate a final bill. However, our friends in the House have yet to appoint conferees to join us at the negotiating table.

Meanwhile, since 2007, we have passed 20 extensions to allow this program to continue operating while we work to negotiate a long-term solution. Not a single one of those extensions has been met with controversy—not one.

However, as we undertook what should have been the latest clean extension, the House unexpectedly eliminated 13 rural airports that rely on Essential Air Service just days before the authorization expired. The House refused to reconsider and chose instead to shut down the Federal Aviation Administration.

The House seeks to save approximately one-tenth of 1 percent of overall aviation spending by attacking essential air services. I agree with anyone who wants to control Federal spending and invest in real priorities—we all do—but it simply doesn't make sense to focus on saving fractions of pennies on the dollar instead of coming to the negotiating table to hammer out long-term solutions.

At the same time, the House rejected an opportunity to protect our troops from exorbitant baggage fees. Congressman NICK RAHALL introduced an amendment to the House extension that would have prohibited air carriers from charging a baggage fee for members of the Armed Forces while traveling on official military duty, especially those checking four or fewer bags. In one instance, an airline reportedly socked a poor servicemember with a baggage fee of \$3,000. Regrettably, the House rejected this offer to protect our troops, and the rejection was on a party-line vote. Those of us negotiating in good faith here in the Senate were left scratching our heads. The House would reject a clean extension to save a mere one-tenth of 1 percent by attacking rural jobs and commerce, but it would reject an opportunity to protect our troops from getting gouged by baggage fees on the same bill. It doesn't make sense.

Later, we learned through the press that the House's erratic strategy had apparently nothing to do with potential cost savings at all, but, instead, these antics were about rulemaking by the National Mediation Board. This is a labor issue that has nothing to do with essential air service and nothing to do with the daily operations of the Federal Aviation Administration, both of which could be operating right now under a clean extension. This labor issue should be worked out in a conference—the conference committee we can't have because the House has yet to name conferees.

One of the rural communities the House Members chose to cut down as a